GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:915
ANSWERED ON:28.04.2016
Amended Technology Upgradation Fund Scheme
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Will the Minister of TEXTILES be pleased to state:

(a) whether amendments have been envisaged under Amended Technology Upgradation Fund Scheme (A-TUFS) to upgrade the textiles industry in the country especially to focus on encouraging apparel and garment industry;

(b) if so, the details thereof and the extent to which the A-TUFS is likely to boost production and export in textiles;

(c) the steps taken by the Government under the A-TUFS for upgrading textile technology in the country;

(d) the details of funds allocated/released and utilized under A-TUFS or pre-revised scheme during each of the last three years State/UT-wise; and

(e) the kind of technology upgradation support provided to the textile industry in the State of Andhra Pradesh under the Scheme ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE)
IN THE MINISTRY OF TEXTILES
(SHRI SANTOSH KUMAR GANGWAR)

(a) to (c): The Government has approved the introduction of "Amended Technology Upgradation Fund Scheme (A-TUFS)" in place of the existing Revised Restructured Technology Upgradation Fund Scheme (RRTUFS) for technology upgradation of the textiles industry with one time capital subsidy for eligible machinery for a period of seven years from 2015-16 to 2021-22. The scheme has become effective w.e.f. 13.01.2016. The details thereof are given below:-

Sl. No. Segment Rate of Capital Investment Subsidy (CIS) CIS per individual entity
1. Garmenting, Technical Textiles 15% on eligible Machines Rs. 30 crore*
2. Weaving for brand new Shuttle-less Looms (including weaving preparatory and knitting), Processing, Jute, Silk and Handloom. 10% on eligible Machines Rs. 20 crore*
3(a)

Composite unit /Multiple Segments - If the eligible capital investment in respect of Garmenting and Technical Textiles category is more than 50% of the eligible project cost.

15% on eligible Machines

Rs. 30 crore*

3(b) Composite unit/ Multiple Segments - If the eligible capital investment in respect of Garmenting and Technical Textiles category is less than 50%, 10% on eligible Machines Rs. 20 crore*

*In case the applicant had availed subsidy earlier under RRTUFS, he will be eligible for only the balance amount within the overall

ceiling fixed for an individual entity. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted as indicated above for respective segments.

ATUFS aims to support new investments with capital subsidy to focus segments as indicated above thereby generating employment and promoting exports through "Make in India". It will also indirectly promote investment in textile machinery (having benchmarked technology) manufacturing. It is expected that ATUFS will attract an investment of Rs.1,00,000 crore and generate employment of 30.51 lakhs.

(d) & (e): An allocation of Rs. 17,822 crore has been approved for seven years from 2015-16 to 2021-22 to meet the committed liabilities of Rs.12, 671 crore and Rs.5151 crore for new cases under ATUFS. As on date, no funds have been released under ATUFS. TUFS is a demand driven scheme and the funds are allocated on all India basis. The details of State/UT-wise funds released, including the State of Andhra Pradesh, under MTUFS, RTUFS and RRTUFS in the last three years are given in Annexure-I.